



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 14, 2013

Certified Return Receipt
7010 2780 0002 7254 0753

Bruce Evans
Nephi Sandstone Corporation
1250 North 200 West
PO Box 137
Nephi, Utah 84648

Subject: Division Directive to Complete Reclamation, Nephi Sandstone Corp., Cedar Springs Mine, M/023/0059, Juab County, Utah

Dear Mr. Evans:

In a letter dated July 11, 2011, the Division of Oil, Gas and Mining required that regrading and seeding of the Cedar Springs mine be completed by December 31, 2011. Although much of the earthwork has been done, additional work is needed as discussed in the attached report for an inspection conducted August 29, 2012.

At least two of the slopes need to be pushed down to reduce erosion and increase the potential for revegetation. There is a relatively flat area where seedbed preparation was inadequate. This area had small depressions, but they are small enough and do not cover enough of the area to be very beneficial. Additional information and photos are in the attached report.

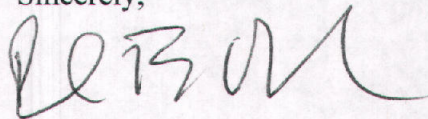
You are required to complete the additional earthwork and complete seeding by November 30, 2013. This requirement is based on rule R647-4-117.4 which states in part:

Reclamation of a large mining operation may be required after five (5) years of continued suspension. The Division will require complete reclamation of the mine site when the suspension period exceeds 10 years, unless the operator appeals to the Board prior to the expiration of the 10-year period and shows good cause for a longer suspension.

Page 2 of 2
Bruce Evans
M/023/0059
August 14, 2013

If you have questions or concerns about this letter, please contact Wayne Western at 801-538-5263, or me at 801-538-5261. Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read 'PB Baker', with a stylized flourish at the end.

Paul B. Baker
Minerals Program Manager

PBB: whw: eb
P:\GROUPS\MINERALS\WP\M023-Juab\M0230059-Cedarsprings\final\Directive-08122013.doc